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ABSTRACT

This paper focuses on the changes affecting the management, leadership, and effectiveness of community colleges. In order to create a comprehensive plan that avoids complacency and demonstrates a new vision for administering higher education, institutions must develop an entrepreneurial spirit in its mission, research the marketplace, and manage the institution with a strategic objective. The higher education paradigm must be changed to that of an entrepreneurial enterprise with a customer-driven marketing strategy. Market research provides qualitative as well as quantitative viewpoints and identifies whom the target audience is and what they want, need, and think of an institution in comparison with its competition. The paper suggests that the need for strong leadership is essential to this advancement process, and the president of each educational institution must possess skills in business, economics, marketing, finance, and human relations. Once formulated, an institution's mission should be continually reviewed, open to additional change and innovation. The paper predicts that in the future, institutions will strive to find narrower niches, subdividing themselves to better serve new, more discrete markets. Customer service and market research are integral to meeting these internal and external challenges in higher education. (YKH)

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Educational Marketing: An Essential Tool for Managing Change

Bonnie Dimun

In: Issues of Education at Community Colleges:
Essays by Fellows in the Mid-Career Fellowship Program at Princeton University

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Bonnie Dimun
Mid-Career Fellowship Seminar
Professor Theodore Rabb
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EDUCATIONAL MARKETING:
AN ESSENTIAL TOOL FOR MANAGING CHANGE

The purpose of this paper is to focus on the changes affecting the management, leadership, and effectiveness of community colleges. Change is the premise of this paper... The last thirty years of growth has led to community colleges serving more enrollees than all four-year colleges and universities combined. The years of remarkable growth provided opportunities and access for women, racial and ethnic minorities, low-income students and older, part-time students to take advantage of educational access. Educational leaders of the community college system were architects and builders of access and promise. They created institutions that, by their very mission, were open to accept and embrace the large numbers of students who would take advantage of the "open door" philosophy.

Over the years, we became aware of the factors challenging our positive growth and threatened cyclical decline in enrollments. Recently, we have become even more aware of a new reality. Although we claimed we knew and understood the impact of demographic shifts, economic trends, and competition from the other schools as well as business and industry, the steps necessary to be proactive, in light of all the data, were rarely implemented in a strategic manner.

Faced with the reality of shrinking budgets, rapidly changing social needs, political climate, and ever more intense public scrutiny, today's non-profit institutions are finding that it's not enough to simply update a mission statement or patch over a list of out dated goals. They're discovering that survival now depends on the ability to effect real change the same way corporate giants such as IBM, GM, and Hewlett Packard have, by reinventing themselves from the ground up. In other words, through reengineering. Few community college leaders have had the experience in managing the impact of a serious downturn. Contingency planning that included steps to address these issues were virtually ignored. Unfortunately, many institutional leaders were operating under the assumption that they were insulated from certain realities so they deluded themselves by believing declining cycles were temporary and would again turn upward. Very often, trends beget complacency and they became driven by that trend rather than managing and charting a new direction.

Institutions are indeed fortunate when their Board of Trustees understands these difficult times. Enlightened trustees provide and support planning techniques to manage the challenges that lie ahead. Clearly, strategic planning is the course of action for shaping an institution's future.

We must have leadership capable of bringing new vision to our institutions. Collectively, we have recognized the need to address effective strategies to manage our institutions and thus creating a professional approach to our enrollment management. The following concepts are the preface to a comprehensive plan to demonstrate a new vision for managing and marketing higher education.

Concept 1: Develop a competitive, entrepreneurial spirit in our mission.
Concept 2: Recognize the mission is to serve the educational needs of our community.
Concept 3: Make no assumptions! Research the marketplace.
Concept 4: Define everyone's role and determine a prescription for action and accountability.
Concept 5: Manage the institution with a strategic objective.

Now is the time for us to view higher education in new terms. As we move into the new millennium, institutions of higher education will have to market themselves more effectively and efficiently than ever before. Issues like public perception, economics, politics, funding loss from Federal, State and other sources, and many other factors will force our institutions to market themselves with much greater emphasis. Due to the issues expressed above, higher education is paying greater attention to the concept of institutional advancement influenced by strategic marketing. The reality of aggressively pursuing the customer (the student) versus complacency has finally come into focus. Many institutions are recognizing the importance of advancement and are becoming proactive by reorganizing institutional priorities, structures, and resources.

A trend has emerged where a Vice President for Advancement, or a similar position, is now an essential part of the executive team. The scope, impact, and responsibilities of that job include strategic planning, marketing, student recruitment, public relations, publications, alumni, institutional fundraising, and governmental relations. This centralized structure creates new arenas for teamwork and cooperation. The consolidated approach focuses the overall goals for the institution creating a communicative environment rather than an operation which functions in an information-free vacuum. A decentralized approach very often results in deficiencies including lack of teamwork, duplication of effort, materials not being coordinated, standards for graphics and editorial being compromised, as well as serious issues of turf and power play. This centralized structure indicates the new sense of commitment and urgency to be proactive and understand some of the major issues related to advancing the institution.

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Having one empowered person with responsibility to coordinate the many facets of these critical functions places the importance of good communication on a higher plane.

The image of the institution can be and often is at stake. Lack of well focused communication can potentially create a loss of identity, confusion, factual misrepresentation, lack of accountability, and potentially misguided expenditures particularly when resources are limited. The need for strong leadership is essential to the advancement process.

Many college board members look to corporate methodologies to stress the importance of marketing and market share analysis to manage the college and utilize sound and proven principles. This entrepreneurial spirit is finally beginning to seep into higher education. In the past, higher education was complacent and willing to accept established traditions. The educational sector was indifferent to the competitive spirit and lacked a strategic, conceptual or business focus.

According to Alcaste Pappas, President of Pappas Consulting, the fundamental tenets that are expounded in the management texts for the for-profit or corporate sector are typically applicable to the nonprofit, although some fundamental attributes and operating principles distinguish the sectors. The most fundamental is the mission-based philosophy of the non-profits, rather than bottom-line focus of the for profit organizations. Although the nonprofit must generate sufficient resources to cover its operating costs and create reserves for its future, its purpose is not directed to make a profit. Rather, it exists to do good works and enable society to be a better place than it would be if its entire focus were monetary. Although, non-profits are subject to the vicissitudes of funding, financial support, market positions, and strength of leadership just as their for-profit counterparts, the publicly supported, comprehensive community college is designed to serve all those who can benefit from post-secondary learning opportunities. The open admission policies of the community college sector are meant to provide affordable, accessible and quality education to all residents of a given county. The open admission policy was meant to embrace all educational needs without selectivity or elitism. This open-mission policy created institutions that were to be responsive to the educational needs of the county residents. The challenge for each college to understand the demographics and ever-changing profile of the county in which they are located thus serving the comprehensive needs of the county population.

In addition to serving the educational needs of our full and part-time students, many services are provided to enhance opportunities for our diverse population. English as a Second Language programs fill a huge need for a vast numbers of county residents,

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, while a stunning number of county residents require remedial programs to give them the opportunity promised by the "open door" policy. Honor programs are offered at many of our institutions to serve the gifted student. Whether the student is simply taking a class, seeking a terminal degree or certificate, or is earning some credits before transferring to another school, the mission of the community college is to serve the disparate educational needs and desires of a given county's residents. Business and industry are provided with customized training to meet their ever-changing needs in the employment arena. Marketing, when viewed in a broad definition of 'defining a need and than filling it' has to involve such college-wide areas as curriculum, services, retention and research–not just promotion and recruitment–that effective marketing becomes everybody's business and requires a team approach.

The leadership and management of higher education have historically been from the academic community. We have, however, realized that it is preferable to have professionals from the business community to lead our finance and human resource departments. Exposure to and experience in the concepts of business, economics, marketing, finance, and human relations will become more critical for our future leaders and senior managers if educational institutions are to compete in the marketplace. The president of each educational institution must possess the skills and understanding of the basics of managing the "business of education." Corporate mindset and ability to think strategically must be incorporated into the educational thought process for effective leadership. The success of our institutions requires today's college presidents to have the leadership qualities of industry CEO's. Whereas the leaders of today's faculty must also possess greater business acumen, the first and foremost responsibility will still be scholarship for the academic disciplines of the institution. The senior leadership of our community colleges needs to position the institution as a competitive provider of services, be they traditional educational goals or the unique needs of local employers. The services provided by community colleges are educational, putting the educational industry on a par with doctors, lawyers, accountants or any other service professionals.

Although marketing has had a long history in business and industry, it is only in the last few years that the concept marketing reached higher education with gusto. Marketing our institutions requires analysis, planning, and the implementation of programs designed to bring about desired communication with potential customers from designated markets. This communication is directed at target markets (groups of pre-identified people) for the purpose of achieving the organizational goals. Marketing relies heavily on the organization's ability to

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prepare and present its product or services so that they answer the needs and wants of these target markets

Market research helps to cut through the clutter and chaos to answer basic questions that enable us to carry out our mission. Marketing can make the difference between success and failure. Marketing concepts need to be put into action in order to see the results. All the strategy, research, and planning are nothing more than exercise if they are not put into action in an effective manner. Implementation is the execution of a well thought-out action plan. Be aware, however, that marketing poor service defeats the effort. The service provided must justify marketing efforts.

Until recently, institutions of higher education have marketed themselves by assumption methodology, or the "inside-out" theory. Bob Topor in his book "Navel Gazing," strongly suggests a reversal of this methodology, which basically says we determine internally by assumption who are our "customers", what they want, and what they need. Topor believes that is the basic problem in educational marketing. The need is to shift the paradigm and focus our attention on the "outside in" concept. The only way to execute this concept is to start with market research, which provides qualitative as well as quantitative viewpoints, and perspectives that answer the questions of who are our target audiences what do they want, need, and what they think of us versus our competition. What seminars, courses, materials, etc. can we offer our target audience to best serve them and distinguish our college from the competition? In the absence of this research, we are left to try to be "all things to all people."

"Be all things to all people. Among the most cogent tidbits we would proffers is "focus, focus, focus. It is no longer possible or wise to attempt to be all things to all people. During the planning process, conscious decision making needs to take place about which programs and services require investment, which need to be maintained, and which need to be divested or eliminated. When a nonprofit has programs with low market attractiveness or demand and the programs are not particularly relevant to the core mission, such programs are primary targets for elimination." According to Pappas in her book entitled Reengineering Your Nonprofit Organization.

In an age of specialization, people need compelling reasons to choose one school rather than another. Precisely, why the shift in understanding that the consumer needs to be our focus is an essential element of a marketing strategy for an institution. "Pressed with increasing competition from other colleges, universities, online trainers, and local workshop leaders, community colleges are taking a fresh look at their students. What they're seeing are

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customers who have the choice to go elsewhere for education and training. And they're responding to this new vision by catering to those customers' demands for less bureaucracy and more convenience " We're simply in an age of consumerism", said Al Lorenzo, president of Macomb Community College in Warren, Michigan. 'Regardless of whether it's buying clothing, automobiles, or education, there is this pervasive move toward people expecting to be treated in a certain way. It s a carryover.' "Using a word like 'consumer' to describe a college student makes traditional academics cringe. 'The words "customer service" are usually a turnoff to faculty and staff because they're terms used in business,' Kanter explained. 'It kind of ignores the educational philosophy that the colleges were built upon.' "But moving toward that mindset, said Linda Thor, president of Rio Salado Community College in Tempe, Arizona, is a matter of survival for community colleges." Community colleges don't have a monopoly, 'so we have to add value to what we provide to the students. 'They have more than one place to get what they want.' And when they don't get what they want from their local community college,' she added, 'they vote with their feet.'" (Community College Journal) Dec.Jan. 1997-98

When trying to be all things to all people, we end up not being able to serve our potential customers because we simply don't know enough about what will drive their decision making. In the past we also did not differentiate ourselves enough to help in the decision making process. By absence of differentiation we ended up showing our similarities. If the consumer sees no difference, there is no good reason to select one institution over another. According to John Bakum, President of Middlesex County College in his State of the College Address August 97, "When we ask new students why they chose MCC, we do not often hear that it was because of a newspaper, radio or cable television advertisement. What we hear most often is that a friend or family member has a good experience here and made a positive recommendation. In short, good word-of-mouth advertising. And what promotes that? Positive experiences with the college. Those experiences may result from a helpful exchange with someone who answers the phone or someone who provides assistance in applying or registering. Good experiences may come from something as simple as giving a student directions to a building, or as complex and important as teaching them in the classroom. Overall, the nature of a student's interaction with the college determines the degree to which that student's experience at MCC leads to a positive or negative advertisement for MCC. It is the job of all of us to ensure the advertisement is positive." Further, Bakum states: "I believe we must all commit to stronger and, in some cases, more formal marketing and recruiting

initiatives. We must begin by accepting the very important fact that a student's decision to select and subsequently remain at MCC lies in our hands, all our hands."

Through effective market research we acquire relevant information to prepare for an effective marketing strategy and desired outcome. The image the institution maintains in the public eye is therefore crucial to understand. Market research gives us data on perception and identifies unmet needs and benchmarks for us our position relating to our competition. Every institution needs to define what they want to know in qualitative and quantitative terms. Therefore, the research is not boilerplate but designed for each institution in a boutique fashion. At Clarus Corporation, President Kathy Swanson has carved a niche in this field of market research for community colleges. Her consulting, research design, and implementation gave MCC the data needed to direct, reorganize, and focus their marketing efforts. As Dr. Swanson reiterates, each school has specific needs in terms of research required. A design should be tailored to fit the intention of each school. It is essential to identify the school's present position. What already exists—purpose, enrollment patterns, market share—helps determine the scope of the project.

Scans of the traditional and non-traditional student markets, employers, and businesses give insight to the development of marketing plans. In addition, the extensive and continuous review of mission helps with positioning in a competitive market place. Mission, as we see from successful corporations, is not carved in stone. The review process, even in financially solid companies, is perpetual so as not to lose market position. Moreover, the purpose of comprehensive market research is to identify new trends and products (i.e., educational courses) and offer customers an extensive menu. In higher education, we have seen some resistance to the formalization of mission review, specifically if the potential for significant change is deemed necessary. Our review of mission has had more to do with satisfying external accrediting bodies than the recognition that our mission may indeed need revision. Only when forced to examine our relevancy in the market do we "bite the bullet" and examine our purpose and intent in serving our client in an ever-changing environment.

Two examples come to mind regarding response to changes in the marketplace. Western Union once commanded an awesome share of the Telex market but they failed to maintain a focus on the changing environment affecting their services. ~~These~~ financially sound, major corporations sat by and witnessed huge market erosion as technology advanced via the fax machine and electronic mail. On the other hand, the airline industry, through very effective market research and strategy, successfully transitioned itself from a fully regulated

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industry to a competitive landscape. While the changes in government regulation lead to industry consolidation and the extinction of some airlines, certain astute airline managers became extremely successful by creating a niche that addressed their customers needs. Southwest Airlines, through an extensive market analysis, was able to out-fox the major airlines by identifying regional locations that had been underserved by the major air carriers. Thus, by listening to the customers, Southwest established a successful business in the shadows of the major airlines, like United and American.

Once a clear position is determined, the institution can begin to enhance its value in the educational marketplace by improving its position within a competitive sphere. It is essential to create niches or differences in which clarification for the potential customer is realized. Bob Topor states there is a close relationship of position, image, and perception. Every person involved in the institution contributes to its image and position in the marketplace. The ultimate positioning is expressed in the resumes success stories of the graduates. The goal is to build quality education. Thus, the students become the heart of the educational product.

The curriculum and scheduling must meet student needs, such as accelerated blocks for in-class and distance learning, and class time and location. We need to ask if we've updated our programs and courses to reflect changing job markets and new technologies. Moreover, we must make the hard decision to eliminate what's no longer relevant.

As is well known in marketing, the more focused the niche, the better possibility for success. Future institutions will strive to find narrow markets, abandoning past concepts of trying be everything to everybody through mass educational development and delivery. Just as large department stores have given way to specialized customer-sensitive boutiques, higher education will subdivide itself to be better able to serve new more discrete markets. These approaches will have significant impact on ways education is promoted. An example of this narrow niche focus is the success of DeVry and Chubb Business schools that focus largely on the needs of current environment, i.e., computer skills rather than attempting to combine offerings all in one package (i.e. course catalogs, schedules, or generic advertisements). Specific promotional efforts will be targeted to specific users in ways that are researched and developed for greater impact and success. This will be the impetus for the higher education paradigm shift from internal (so called "Navel Gazing") to external marketing focus.
If marketing is to work the following roadmap must be followed:

1) Market Research is required. While each institution needs to tailor fit their research to find the desired answers to targeted questions, the rule is no assumptions.

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2) Organize personnel structure that is inclusive integrated and defines roles and responsibilities. Strong leadership.
3) Strategically plan.
4) Organizational Mission-Self-analysis- strengths, weaknesses, opportunities, threats.
5) Formalization of research results into a marketing/management plan.
6) Target Audience.
7) Position Institution.
8) Image Identification.
9) Identify Competition.
10) The 4P's: Product—Price—Place—Promotion.

The following marketing map taken from "Your Personal Guide to Marketing A Non-Profit" by Robert Topor is a good planning guide for institutions.

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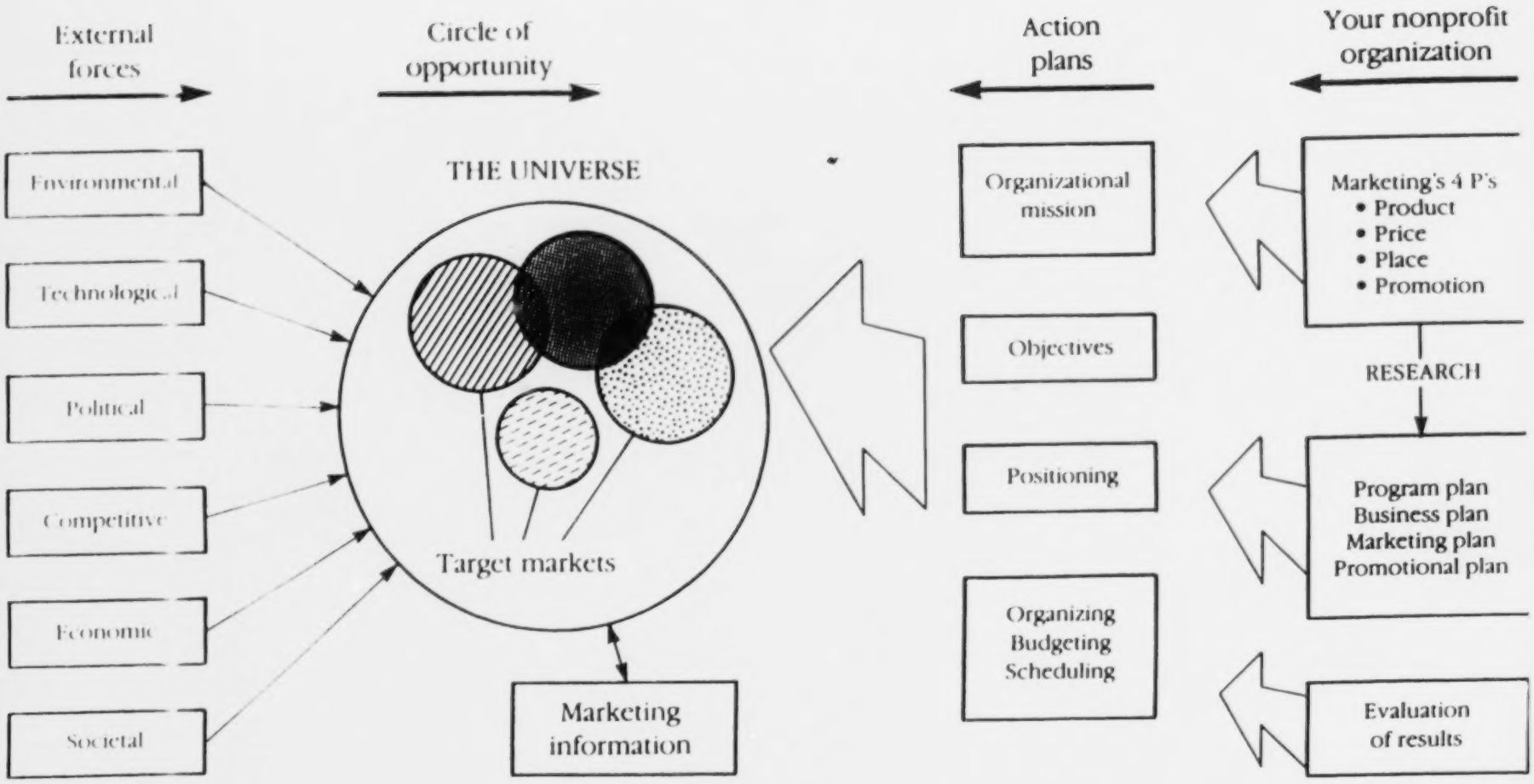

Figure 13: Marketing Planning Map

Customer service is, unfortunately, all too often taken for granted. Poor customer service can contribute to significant decline in enrollment. It is therefore essential to build into a marketing strategy for higher education continuous review of admission, recruitment, financial aid, counseling, billing and classroom tactics. The campus that is market-driven is customer-driven and therefore student-driven. The campus that recognizes the importance of continually assessing the reaction of our past and present students will enable us to serve our future students better. The feedback received is telltale to our success. If we respect the input and respond as change agents, we can remedy or rectify our poor service and we will be in a position to capitalize on this market in two ways: serving our present students so they will stay with us and, of course, attracting new students. All the positive marketing that attracts students but then subsequently loses them is faced with the grim reality of decline. This has a ripple effect and can pose serious problems in the future. Some of the issues that affect our enrollments are truly beyond our control. Therefore, the issues in our control must be dealt with proactively. There is no excuse for not serving our students as valued customers. We should and could change the course of all our marketing, enrollment, and management outcomes if, internally and externally, we embrace the notion of service. That is our business: Serving the educational needs of our communities. Internal and external change should not be resisted but embraced by facing the challenges of the next century. NOW IS THE TIME FOR CHANGE.

SUMMARY

"...The transformation process, like any change process, is replete with challenges and barriers. Anticipation of these forces will go a long way to help reduce or eliminate resistance. Opportunity, as well as crisis and pain embolden leadership to change. The research conducted by Darryl Conner, president and CEO of the Atlanta-based firm, ODR, Inc., indicates that there are four fundamental challenges to change implementation efforts:

1) Change Sponsor. The individual/group who legitimizes the change.
2) Change Agent. The individual/group who is responsible for implementing the change.
3) Change Target. The individual/group who must actually change.
4) Change Advocate. The individual/group who wants to implement change but lacks sponsorship.

Now is the time to change the paradigm in higher education to an entrepreneurial enterprise. The key factors that must be embraced in the marketing plan are:

- Creation of customer-driven marketing strategy

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- Rather than relying on unsupported assumptions, research our markets to determine who they are, what they want, and what affects their decision-making i.e., choice-making for educational opportunities
- Review mission, plan strategically, research, and market our institutions with purpose.
- Become a service enterprise and remember what our business is.
- Embrace change, rather than resist change

The goals of the marketing plan must come from the executive management of the institution and its Board of Trustees. As in the business world, the educational marketing plan must be a key ingredient of the annual business plan and the long-term strategic plan, thereby being an essential tool for managing the goals and objectives of the institution.

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